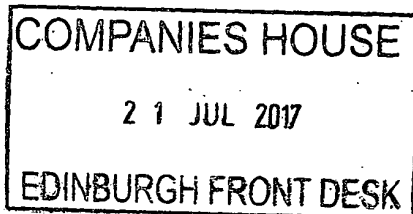


Company Registration No. SC122818 (Scotland)

ATR Lifting Solutions Limited

Annual Report and Financial Statements

For the 14 month period ended 31 December 2016



ATR Lifting Solutions Limited

Contents

	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Directors' responsibilities statement	5
Independent auditor's report	6
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11

ATR Lifting Solutions Limited

Report and financial statements 2016

Officers and professional advisers

Directors

Mr K Moorhouse
Mr E Leask

Secretary

Blackwood Partners LLP

Registered Office

Blackwood House
Union Grove Lane
Aberdeen
AB10 6XU

Solicitor

Blackwood Partners LLP
Blackwood House
Union Grove Lane
Aberdeen
AB10 6XU

Auditor

Deloitte LLP
Union Plaza
1 Union Wynd
Aberdeen
AB10 1SL

Banker

Clydesdale Bank plc
1 Queens Cross
Aberdeen
AB15 4XU

ATR Lifting Solutions Limited

Strategic report

Principal activities

The principal activities of the company comprise the sale, rental, repair and inspection of lifting equipment and the manufacturing and report of slings (wire rope, chain and webbing) to the offshore oil and gas industry.

The Company's former immediate parent company, ATR Offshore Holdings Limited was acquired by Centurion Group Limited on 27 July 2016. Subsequent to the acquisition, the Company's accounting reference date has been changed from 31 October to 31 December to align with Centurion Group Limited.

Business review

Conditions in the oil and gas markets in 2016 continued to be challenging as a result of low oil and gas commodity prices.

The Company's key performance indicators are considered to be revenue, gross margin and earnings before interest tax depreciation and amortisation.

The Company's revenue for the period ending 31 December 2016 decreased to £15,787k (year ended 31 October 2015: £17,374k) reflecting the challenging market conditions. Gross Margin decreased from £5,506k to £3,181k with Gross Profit percentage decreasing to 20% from 31%. EBITDA, prior to exceptional and non recurring items, decreased from £678k to (£502k).

As at 31 December 2016 the company has net liabilities of £1,488k (net assets as at 31 October 2015: £49k).

Given the difficult market conditions we are satisfied with progress in the period.

Principal risks and uncertainties

The Company operates in the oil and gas sector and the main risk and principal uncertainty is considered to be the impact of the oil and gas price on customer activity.

The Company's financial risks are discussed in the Directors' Report on page 3.

Going Concern

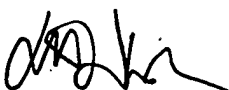
The Company has net current liabilities of £2.8 million at 31 December 2016 and the directors have received confirmation of continuing support from an intermediate parent company, Centurion 1 Limited. The Company is party to Group borrowing facilities. In conjunction with the acquisition of ATR Group, new banking facilities were put in place that extended the repayment profile of the previous Group facilities and increased the working capital facilities. The borrowing facilities are subject to certain covenants. Having considered the financial outlook, the directors have developed a reasonable expectation that the Group (and the Company as part of the Group) has adequate resources to continue in operational existence for the foreseeable future.

The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Outlook and future developments

The Company is expected to continue in this role in the Group for the foreseeable future.

Approved by the Board on 13 June 2017 and signed on its behalf by:



Mr E Leask
Director

Directors' report

The directors present their report and financial statements for the period ended 31 December 2016.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Company's former ultimate parent company, ATR Offshore Holdings Limited, a company registered in Scotland, was acquired by Centurion Group Limited, a company registered in the Cayman Islands on 27 July 2016. Subsequent to the acquisition, the Company's accounting reference was changed from 31 October to 31 December to align the date with Centurion Group Limited.

Principal activities

The principal activity of the Company is the sale and rental of deck machinery and subsea tooling for the subsea and marine sectors of the offshore oil and gas industry.

Directors

The directors who served during the period and to the date of the approval of the financial statements are:

Mr K Moorhouse
Mr E Leask

On 27 July 2016 Burness Paull LLP resigned as company secretary and Blackwoods LLP were appointed on the same date.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its' directors which were made during the period and remain in force at the date of this report.

Charitable and political donations

There were no charitable or political donations during the current or prior period.

Events after the balance sheet date and going concern

Details of events after the balance sheet date and going concern can be found in the Strategic Report on page 2.

Financial risk management policies and objectives

The Company's activities expose it to a number of financial risks including credit and liquidity risk. The Company does not use derivatives to manage its' financial risk or for speculative purposes. The financial risk management policies operate at a Group level.

Credit risk

The Company's principal financial assets are trade receivables, amounts due from group undertakings, and cash and bank balances. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. The credit risk on trade and other receivables is managed through maintaining good customer relationships and the monitoring of credit levels and settlement periods. The financial position of group undertakings is monitored at a Group level. The credit risk on liquid funds is considered limited with the counterparty being a bank with recognised credit ratings assigned by international credit rating agencies.

Liquidity risk

In order to maintain liquidity and to ensure sufficient funds are available for ongoing operations and future developments, the Company monitors the timing of expected cash flows. The Company's primary source of finance is cash generated from operations. The Company also has access to intra group funding.

Directors' report (continued)

Auditor

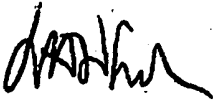
Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware;
- (2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

During the period Johnston Carmichael LLP resigned as auditor and Deloitte LLP were appointed. Deloitte LLP have expressed their willingness to continue in office as audit and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board on 13 June 2017 and signed on its behalf by:



Mr E Leask
Director

Directors' responsibilities statement

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of ATR Lifting Solutions Limited

We have audited the financial statements ATR Lifting Solutions Limited for the period ended 31 December 2016 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

This report is made solely to the company's members, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the 14 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Independent auditor's report to the members of ATR Lifting Solutions Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Graeme A Shells (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

Aberdeen, United Kingdom

15 June 2017

ATR Lifting Solutions Limited

Statement of comprehensive income

For the 14 month period ended 31 December 2016

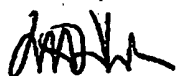
		14 month period to 31 December 2016 £000	(Restated – Note 5) Year to 31 October 2015 £000
	Note		
Revenue	4		
Continuing		15,787	17,374
Discontinued		-	409
		15,787	17,783
Cost of sales	5	(12,606)	(12,277)
Gross profit		3,181	5,506
Administrative expenses	5	(4,724)	(6,027)
Recurring		(4,614)	(5,686)
Exceptional and Non-Recurring		(110)	(341)
Operating loss	6	(1,543)	(521)
Continuing		(1,543)	106
Discontinued		-	(627)
Interest payable and similar charges	8	-	(115)
Interest receivable	8	-	5
Loss before taxation		(1,543)	(631)
Tax credit on loss	9	6	-
Loss for the period/year		(1,537)	(631)
Other comprehensive income		-	-
Total comprehensive loss for the period/year		(1,537)	(631)

ATR Lifting Solutions Limited

Statement of financial position As at 31 December 2016

		31 December 2016 £000	31 October 2015 £000
	Note		
Non Current assets			
Property, plant and equipment	10	1,661	2,437
Total non-current assets		1,661	2,437
Current assets			
Stocks	11	1,216	1,696
Trade and other receivables	12	2,485	2,946
Amounts due from group companies		2,992	3,712
Cash at bank and in hand		251	589
Deferred tax asset	9.2	1,008	1,008
Corporation tax receivable		7	-
Total current assets		7,959	9,951
Total assets		9,620	12,388
Current liabilities			
Trade and other payables	13	(1,970)	(3,366)
Amount due to group companies		(8,801)	(8,634)
Total current liabilities		10,771	12,000
Net current liabilities		(2,812)	(2,049)
Total assets less current liabilities		(1,151)	388
Non Current liabilities			
Provisions	14	(337)	(339)
Net (liabilities)/assets		(1,488)	49
Equity			
Called up share capital	17	105	105
Capital redemption reserve	19	104	104
Accumulated losses	18	(1,697)	(160)
Shareholders' (deficit)/equity	19	(1,488)	49

The financial statements of ATR Lifting Solutions Limited (registered number SC122818 (Scotland)) were approved by the board of directors on 13 June 2017 and signed on its behalf by:



Mr E Leask
Director

ATR Lifting Solutions Limited

Statement of changes in equity **As at 31 December 2016**

	Called-up share capital £000	Capital redemption reserve £000	Accumulated losses £000	Total £000
Balance at 1 November 2015	105	104	471	680
Loss and total comprehensive loss for the year	-	-	(631)	(631)
Balance at 31 October 2016	105	104	(160)	49
Loss and total comprehensive loss for the period	-	-	(1,537)	(1,537)
Balance at 31 December 2016	105	104	(1,697)	(1,488)

ATR Lifting Solutions Limited

Notes to the financial statements

For the year ended 31 December 2016

1. General information

ATR Lifting Solutions Limited (the Company) is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

2. Significant accounting policies

The principal accounting policies are set out below and have been applied consistently for all years presented in the financial statements.

2.1 Basis of preparation

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, in the period ended 31 December 2016 the Company has undergone transition from reporting under UK GAAP to FRS 101 'Reduced Disclosure Framework'. The financial statements have therefore been prepared in accordance with FRS 101. There has been no restatement of the previously repeated net assets as at 31 October 2015 or to the result for the period then ended.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions

Where relevant, equivalent disclosures have been given in the group accounts of Centurion 1 Limited, a company registered in Scotland. The group accounts of Centurion 1 Limited are available to the public and can be obtained as set out in note 21.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

2.2 Going Concern

The Company has net current liabilities of £2.8 million at 31 December 2016. The directors have received confirmation of continuing support from an intermediate parent company, Centurion 1 Limited, to allow it to settle debts as they fall due. The Company is party to Group borrowing facilities. In conjunction with the acquisition of ATR Group, new banking facilities were put in place that extended the repayment profile of the parent company Centurion Group debt facilities and increased working capital facilities. The borrowing facilities are subject to certain covenants. Having considered the financial outlook, the directors have developed a reasonable expectation that the Group (and the Company as part of the Group) has adequate resources to continue in operational existence for the foreseeable future.

The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Revenue

Revenue represents the value of goods and services provided in the period net of discounts and sales taxes. Revenue is recognised as services are rendered. Revenue in respect of rental is recognised over the period which rentals occur at rates contracted with customers. Revenue in respect of sales is recognised when the items are shipped to the customer.

2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Finance lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.5 Foreign currencies

2.5.1 Functional and presentation currency

For the purpose of the Financial Statements, the results and financial position of the Company are expressed in Pounds Sterling ('£'), which is the functional currency of the Company and the presentation currency for the financial statements.

2.5.2 Transaction and balances

In preparing the financial statements transactions in currencies other than the functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.6 Retirement benefit costs

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to contributions.

2.7 Taxation

2.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the result as reported in the consolidated income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.7.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.7.3 Current and deferred tax

Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items that are recognised outside the income statement (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside the income statement, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

2.8 Property, plant and equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis.

The following useful lives are used in the calculation of depreciation.

Leasehold land and buildings	lower of 25 years or lease period
Plant and machinery	
Hire fleet	1 to 12 years
Other plant and equipment	3 to 8 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Income statement.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the present value of the expenditures required to settle the obligation using a pre-tax rate that reflects the current assessment of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

2.11 Financial assets

2.11.1 Classification

Financial assets are classified into the following specified categories: financial assets at 'fair value through profit or loss' (FVTPL) and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company does not currently hold any 'held to maturity' or 'available for sale' financial assets.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

2.11.2 Recognition and measurement

FVTPL

Financial assets at FVTPL are initially measured at fair value and transaction costs are expensed to the income statement. Gains or losses arising from subsequent changes in the fair value of financial assets at FVTPL are presented in the income statement within "other (losses) / gains net" in the period in which they arise.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate.

2.12 Financial liabilities and equity instruments

2.12.1 Classification of debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

2.12.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs.

2.12.3 Financial liabilities

Financial liabilities are classified as either trade and other payables or borrowings or other financial liabilities.

2.12.4 Other Financial liabilities measured at amortised cost

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. This category of financial liabilities includes trade and other payables and finance debt.

2.12.5 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term bank deposits with maturities of three months or less and bank overdrafts where there is a right of set-off.

2.13 Exceptional and non-recurring items

Items that are material either because of their size or their nature, are presented as non-recurring items, within their relevant consolidated income statement category and disclosed separately in the notes to the financial statements. The separate reporting of non-recurring items helps in the understanding of underlying performance.

Notes to the financial statements (continued)

For the year ended 31 December 2016

3. Key sources of estimation uncertainty and critical judgments

In the application of the Company's accounting policies, outlined in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3.1 Critical judgements in applying the group's accounting policies

There are no critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies.

3.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2.1 Impairment of property, plant and equipment

Determining whether property, plant and equipment is impaired requires identification of indicators of impairment and an assessment of recoverable amount. The Managers have performed an impairment review at 31 December 2016 and determined that the recoverable amount of property, plant and equipment exceeds its carrying value of £1,661k (31 October 2015: £2,437k) per note 10.

3.2.2 Provision for slow moving and obsolete inventory

Judgment is required to determine the level of provision required for slow moving and obsolete inventory. Management assess the need for provision based on their knowledge of the business and expected activity levels.

3.2.3 Provision for doubtful debts

The need for provision for bad debts is assessed based on the age of receivables, counterparty credit quality and other factors which may indicate the debt is not recoverable. Judgment is required to assess an appropriate level of provision. At 31 December 2016 the provision for doubtful debt amounts to £250k (31 October 2015: £166k).

3.2.4 Recoverability of deferred tax asset

Judgement is required in assessing the recoverability of deferred tax assets. The projected financial performance of the Company has been considered in determining the likelihood of recovery of the asset in the foreseeable future. A deferred tax asset of £1,008k (31 October 2015: £1,008k) is recognised as at 31 December at 2016.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

4. Revenue

Geographical market	Revenue			
	14 month period to 31 December 2016		Year ended 31 October 2015	
	Continuing £000	Discontinued £000	Continuing £000	Discontinued £000
United Kingdom	15,266	-	16,870	405
Rest of the World	521	-	504	4
	15,787	-	17,374	409

5. Operating costs

	14 month period to 31 December 2016			Year ended 31 October 2015		
	Recurring £000	Non recurring £000	Total £000	Recurring £000	Non Recurring £000	Total £000
Purchases	8,757	-	8,757	8,337	-	8,337
Wages and salaries	3,747	-	3,747	4,907	-	4,907
Employers' NI	452	-	452	505	-	505
Depreciation	931	-	931	858	-	858
Other expenses	3,333	110	3,443	3,356	341	3,697
	17,220	110	17,330	17,963	341	18,304

The exceptional and non-recurring costs in the current and prior period related to restructuring costs.

Restatement of comparative statement of comprehensive income

In the current period certain wages and salaries and depreciation costs related to operations have been reclassified from administrative expenses to cost of sales, which is considered to be more appropriate classification. The restatement of the prior year comparative resulted in cost of sales being increased by £3,990k and administrative expenses being decreased by the same amounts.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

6. Operating loss

	14 month period to 31 December 2016 £000	Year ended 31 October 2015 £000
Operating loss is stated after charging:		
Depreciation of tangible assets (note 10)	931	858
Operating lease rentals	778	825
Auditor's remuneration	14	13
Loss on foreign exchange transactions and after crediting:	87	-
Gain on disposal of tangible assets	70	82
Gain on foreign exchange transactions	-	14

Fees payable to Deloitte LLP and their associates for non-audit services to the Company are not required to be disclosed because the financial statements of the parent Company are required to disclose such fees on a consolidated basis.

7. Employees

Number of employees

The average monthly number of employees during the period was:

	2016 No.	2015 No.
Administration	24	40
Production	86	125
	110	165

Employment costs

	2016 £000	Year ended 31 October 2015 £000
Wages and salaries	3,661	4,907
Social security costs	452	505
Other pension costs	86	104
	4,199	5,516

The directors did not receive any remuneration from the Company for their services. The remuneration of directors is borne by another group company and it is considered to be practical.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

8. Interest payable

	14 month period to 31 December 2016 £000	Year ended 31 October 2015 £000
On bank loans and overdrafts	-	71
Hire purchase lease finance charges	-	-
Other interest payable	-	44
Total	-	115

Other interest receivable and other income

	14 month period to 31 December 2016 £000	Year ended 31 October 2015 £000
Other interest receivable	-	5

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

9. Taxation

	14 month period to 31 December 2016 £000	Year ended 31 October 2015 £000
9.1 Tax credit		
Domestic current tax		
U.K. corporation tax	6	-
Deferred tax	-	-
Total current tax	6	-
Factors affecting the tax charge for the period/year		
Loss on ordinary activities before taxation	(1,542)	(631)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2015 – 20.25%)	(308)	(128)
Effects of:		
Fixed asset differences	-	10
Non-taxable income	6	39
Non-deductible income	(118)	(158)
Other timing differences	26	(1)
Unrecognised deferred tax asset	400	67
Group relief surrender	-	173
Current tax credit for the year	6	-

9.2 Deferred tax asset

The deferred tax asset is made up as follows:

	31 December 2016 £000	31 October 2015 £000
Losses available for relief	784	784
Other timing differences	224	224
	1,008	1,008

The deferred tax asset is not anticipated to be recoverable in full within one year of the balance sheet date. A further potential deferred tax asset arising from losses of £1,454k (2015: £1,479k) is not recognised on the basis that the recovery is dependent on future profitability and hence uncertain.

ATR Lifting Solutions Limited

Notes to the financial statements (continued) **For the year ended 31 December 2016**

10. Property, plant and equipment

	Leaseholding land and buildings £000	Plant & Machinery £000	Total £000
Cost			
At 1 November 2015	398	10,931	11,329
Additions	31	32	359
Disposals	-	(577)	(577)
At 31 December 2016	429	10,681	11,111
Depreciation			
At 1 November 2015	135	8,757	8,892
On disposals	-	(374)	(374)
Charge for the year	61	870	931
At 31 December 2016	196	9,253	9,449
Net book value			
At 31 December 2016	233	1,428	1,661
At 31 October 2015	262	2,174	2,437

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

11. Stocks

	31 December 2016 £000	31 October 2015 £000
Finished goods and goods for resale	1,216	1,696

12. Trade and other receivables

	31 December 2016 £000	31 October 2015 £000
Trade debtors	1,996	2,250
Prepayments and accrued income	472	591
Other debtors	17	105
	2,485	2,946

13. Trade and other payables

	31 December 2016 £000	31 October 2015 £000
Trade creditors	1,642	2,651
Other taxes and social security costs	124	448
Accruals and deferred income	198	202
Other creditors	6	65
	1,970	3,366

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

14. Provisions

	Dilapidations £000
Balance at 1 November 2015	339
Profit and loss account	(2)
Balance at 31 December 2016	337

The creditor falling due after more than one year represents a dilapidations provision to restore leasehold properties to their original condition at the expiration of the lease term.

15. Pension and other post-retirement benefit commitments

Defined contribution

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £11,549 (2015 - £11,153) were payable to the fund at the period end.

	31 December 2016 £000	31 October 2015 £000
Contributions payable by the Company for the year	86	104

16. Share capital

	31 December 2016 £000	31 October 2015 £000
Allotted, called up and fully paid 105,000 Ordinary Shares of £1 each	105	105

17. Contingent liabilities

The Company is party to Group borrowing facilities and arrangements. Under these arrangements, the Company has pledged its shares and granted a debenture over its assets. The outstanding amount under the borrowing facilities at 31 December 2016 was £69.6m.

ATR Lifting Solutions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

18. Financial commitments

At 31 December 2016 the Company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2017:

	Land & buildings		Other	
	31 December 2016	31 October 2015	31 December 2016	31 October 2015
	£000	£000	£000	£000
Operating leases which expire:				
Within one year	93	-	-	1
Between two and five years	407	91	169	157
In over five years	91	497	-	-
	591	588	169	158

19. Post balance sheet events

There are no events that have occurred subsequent to the balance sheet date to the date of approval of these Financial Statements that affect the reported financial position at 31 December 2016.

20. Related party relationships and transactions

The Company has taken advantage of the exemption available in IAS 24 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

21. Control

Up to 27 July 2016, ATR Offshore Holdings Limited was the ultimate holding company. This entity was controlled by NBGI Private Equity (Tranche II) From 27 July 2016 Centurion Group Limited, a company registered in the Cayman Islands, became the ultimate holding company. Centurion Group Limited is controlled by SCF-VIII AIV LP, a Cayman Island limited partnership which in turn is controlled (except in limited and specified circumstances) by its general partner, LE Simmons & Associates Inc, a Delaware corporation.

The smallest and largest group which consolidates the results of the company is Centurion 1 Limited, a company registered in Scotland, whose financial statements are publicly available from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.